

# SENATE BILL 64

K2

1lr1001

(PRE-FILED)

---

By: **Senator Salling**

Requested: October 16, 2020

Introduced and read first time: January 13, 2021

Assigned to: Finance

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance – Earned Rating Record – Waiver of Benefit Charges**  
3 **Due to COVID-19**

4 FOR the purpose of requiring the Secretary of Labor to waive the charging of  
5 unemployment insurance benefits paid to a claimant during the state of emergency  
6 declared by the Governor due to the COVID-19 pandemic against the earned rating  
7 record of an employing unit; specifying the circumstances under which the required  
8 waiver of benefit charges is no longer in effect; providing for the termination of this  
9 Act; and generally relating to the earned rating records of employers under the  
10 unemployment insurance law.

11 BY repealing and reenacting, without amendments,  
12 Article – Labor and Employment  
13 Section 8-610(a) and 8-611(a)  
14 Annotated Code of Maryland  
15 (2016 Replacement Volume and 2020 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – Labor and Employment  
18 Section 8-611(k)  
19 Annotated Code of Maryland  
20 (2016 Replacement Volume and 2020 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
22 That the Laws of Maryland read as follows:

23 **Article – Labor and Employment**

24 8-610.

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) (1) An employing unit that meets the qualifications of this subsection shall  
2 be assigned an earned rate of contribution that is based on the experience of the employing  
3 unit.

4 (2) An employing unit qualifies under this subsection if, during each of the  
5 3 rating years immediately preceding the computation date the employing unit:

6 (i) had an earned rating record that was chargeable with benefits;  
7 and

8 (ii) reports taxable wages as required by § 8–626 of this subtitle for  
9 the 3 rating years immediately preceding the computation date.

10 (3) An employing unit that does not qualify under paragraph (2) of this  
11 subsection qualifies if:

12 (i) throughout the rating year immediately preceding the  
13 computation date, the employing unit had an earned rating record that was chargeable  
14 with benefits; and

15 (ii) during each of the 2 rating years immediately preceding the  
16 computation date, the employing unit reports taxable wages as required by § 8–626 of this  
17 subtitle for the 2 rating years immediately preceding the computation date.

18 8–611.

19 (a) For each employing unit, the Secretary shall keep an earned rating record that  
20 shows all benefits that are based on covered employment that was performed for the  
21 employing unit.

22 (k) (1) **[The] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**  
23 Secretary may waive the charge of benefits paid to a claimant against the earned rating  
24 record of an employing unit if:

25 (i) the benefits are paid to the claimant during a period in which the  
26 claimant is temporarily unemployed because the employing unit shut down due to a natural  
27 disaster; and

28 (ii) the Governor declared a state of emergency due to the natural  
29 disaster.

30 (2) If the Secretary waives the charge of benefits under paragraph (1) of  
31 this subsection, the waiver may be in effect only until the earlier of:

32 (i) 4 months after the natural disaster; or

33 (ii) the date the employing unit reopens.

1           **(3) (I) THE SECRETARY SHALL WAIVE THE CHARGE OF BENEFITS**  
2 **PAID TO A CLAIMANT DURING THE STATE OF EMERGENCY DECLARED BY THE**  
3 **GOVERNOR DUE TO THE COVID-19 PANDEMIC AGAINST THE EARNED RATING**  
4 **RECORD OF AN EMPLOYING UNIT.**

5           **(II) WAIVER OF THE CHARGE OF BENEFITS UNDER**  
6 **SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE IN EFFECT ONLY UNTIL THE**  
7 **EARLIER OF:**

8                           **1. 4 MONTHS AFTER THE STATE OF EMERGENCY HAS**  
9 **ENDED; OR**

10                           **2. THE DATE THE EMPLOYING UNIT HIRES A MAJORITY**  
11 **OF THE WORKFORCE THAT IT NEEDS TO RESUME NORMAL OPERATIONS.**

12           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
13 1, 2021. It shall remain in effect until the date that is 1 year from the date on which the  
14 state of emergency declared by the Governor due to the COVID-19 pandemic ends under  
15 Title 14 of the Public Safety Article and, at the end of that period, this Act, with no further  
16 action required by the General Assembly, shall be abrogated and of no further force and  
17 effect.